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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-095]

Aluminum Wire and Cable from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that aluminum wire and cable from the People's Republic of China (China) is being, or is likely to be, sold in the United States at less than fair value (LTFV), for the period of investigation January 1, 2018, through June 30, 2018. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Mark Hoadley or Kathryn Turlo, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC, 20230; telephone: (202) 482-3148 or (202) 482-3870, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the notice of initiation of this investigation on October 18, 2018.¹

¹ See *Aluminum Wire and Cable from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 83 FR 52811 (October 18, 2018) (*Initiation Notice*); see also Memorandum, "Antidumping Duty Investigation Initiation Checklist: Aluminum Wire and Cable from the People's Republic of China (China)," dated October 11, 2018 (*Initiation Checklist*).

Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018, through the resumption of operations on January 29, 2019.² As a result of the tolling of deadlines, the revised deadline for the preliminary determination was April 9, 2019.

Commerce also published the notice of postponement of preliminary determination of this investigation on March 19, 2019.³ Pursuant to sections 733(c)(1)(B)(i) and (ii) of the Tariff Act of 1930, as amended (the Act), we postponed the preliminary determination by 50 days.⁴ As a result of the postponement, the revised deadline for the preliminary determination of this investigation is May 29, 2019.

For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.⁵ A list of topics included in the Preliminary Decision Memorandum are included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and it is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision

² See memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

³ See *Aluminum Wire Cable from China: Postponement of Preliminary Determination of Antidumping Duty Investigation*, 84 FR 10032 (March 19, 2019).

⁴ *Id.*

⁵ See Memorandum, "Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Aluminum Wire and Cable from the People's Republic of China" (Preliminary Decision Memorandum), dated concurrently with this notice.

Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

Scope of the Investigation

The products covered by this investigation are aluminum wire and cable from China. For a full description of the scope of this investigation, *see* “Scope of the Investigation” in Appendix I.

Scope Comments

In accordance with the Preamble to Commerce’s regulations,⁶ the *Initiation Notice* set aside a period of time for parties to raise issues regarding the scope of this investigation.⁷ Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. Commerce is preliminarily modifying the scope language as it appeared in the *Initiation Notice*. For a summary of the scope comments submitted to the record for this preliminary determination, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this investigation in accordance with section 731 of the Act. Pursuant to section 776(a) and (b) of the Act, Commerce preliminarily has relied upon facts otherwise available, with adverse inferences, for the mandatory respondents Hebei Huatong Wires and Cables Group Co., Ltd. (Huatong) and Shanghai Silin Special Equipment Co., Ltd. (Silin). Additionally, certain separate rate applicants failed to demonstrate their eligibility for a separate rate; thus, these companies are preliminarily found to be part of the China-wide entity.⁸

⁶ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁷ *See Initiation Notice*.

⁸ The separate rate applicants preliminarily not receiving a separate rate are Ahcof International Development Co., Ltd. (Ahcof) and Jiangsu Ganghong Electric Wire & Power Cable Co., Ltd. (Jiangsu). For a full description of the methodology underlying Commerce’s preliminary decision, *see* the Preliminary Decision Memorandum.

Furthermore, we find that the China-wide entity's lack of participation, including the failure of certain parts of the China-wide entity to respond to Commerce's questionnaires, constitute circumstances under which it is reasonable to conclude that the China-wide entity as a whole, including Huatong and Silin, failed to cooperate to the best of its ability to comply with Commerce's requests for information. For a full description of the methodology underlying Commerce's preliminary determination, *see* the Preliminary Decision Memorandum.

Separate Rate

In proceedings involving non-market economy (NME) countries, Commerce maintains a rebuttable presumption that all companies within the country are subject to government control and, therefore, should be assessed a single weighted-average dumping margin.⁹ It is Commerce's policy to assign all exporters of subject merchandise in an NME country a single rate unless an exporter can demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*).¹⁰ Commerce preliminarily determines that the evidence placed on the record in this investigation by Changfeng Wire & Cable Co., Ltd. (Changfeng) and Wuxi Jiangnan Cable Co., Ltd. (Wuxi Jiangnan) demonstrates an absence of *de jure* and *de facto* government control. Because Commerce preliminarily determined the estimated weighted-average dumping margin based on total adverse facts available (AFA) for the mandatory respondents in this investigation in accordance with section 776 of the Act, the estimated weighted-average dumping margin determined for the separate rate companies is a simple average of the Petition rates.¹¹ For a full description of the methodology underlying

⁹ *See, e.g., Polyethylene Terephthalate Film, Sheet, and Strip from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 73 FR 55039, 55040 (September 24, 2008).

¹⁰ *See Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588, 20589 (May 6, 1991) (*Sparklers*).

¹¹ *See* letter from the petitioners, "Aluminum Wire and Cable from China: Antidumping and Countervailing

Commerce’s preliminary decision regarding separate rates, *see* the Preliminary Decision Memorandum.

Preliminary Determination

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist:

| Exporter | Producer | Estimated Weighted-Average Dumping Margin (percent) | Estimated Weighted-Average Dumping Margin Adjusted for Export Subsidies (<i>i.e.</i> Cash Deposit Rate) (percent) |
|----------------------------------|----------------------------------|--|--|
| Changfeng Wire & Cable Co., Ltd. | Changfeng Wire & Cable Co., Ltd. | 58.51 | 58.36 |
| Wuxi Jiangnan Cable Co., Ltd. | Wuxi Jiangnan Cable Co., Ltd. | 58.51 | 58.36 |
| China-wide entity* | | 63.47 | 63.32 |

* Includes the mandatory respondents, Huatong and Silin.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of subject merchandise as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*, as discussed below. Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit based on the rate indicated in the chart above as follows: (1) For the producers/exporters listed in the table above, the cash deposit rate is equal to the rate listed in the table; (2) for all combinations of China producers/exporters of merchandise under

Duty Petitions,” dated September 21, 2018, and letter from the petitioners, “Aluminum Wire and Cable from China: Amendment of Petitions and Response to Commerce’s Supplemental Questions,” dated September 28, 2018 (collectively, the Petition).

consideration that have not established eligibility for their own separate rates, the cash deposit rate will be equal to the rate established for the China-wide entity; and (3) for all third-country exporters of merchandise under consideration not listed in the table above, the cash deposit rate is the cash deposit rate applicable to the China producer/exporter combination (or the China-wide entity) that supplied that third-country exporter.

To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of domestic subsidy pass-through and export subsidies determined in a companion countervailing duty (CVD) proceeding when CVD provisional measures are in effect. Accordingly, where Commerce has made a preliminary affirmative determination for domestic subsidy pass-through or export subsidies, Commerce has offset the calculated estimated weighted-average dumping margin by the appropriate rate(s). Any such adjusted rates may be found in the “Preliminary Determination” section’s chart of estimated weighted-average dumping margins, above.

Should provisional measures in the companion CVD investigation expire prior to the expiration of provisional measures in this LTFV investigation, Commerce will direct CBP to begin collecting cash deposits at a rate equal to the estimated weighted-average dumping margins calculated in this preliminary determination unadjusted for the passed-through domestic subsidies or for export subsidies at the time the CVD provisional measures expire. These suspension of liquidation instructions will remain in effect until further notice.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a preliminary determination within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in

accordance with 19 CFR 351.224(b). However, because Commerce preliminarily applied total AFA to the individually examined companies in this investigation, in accordance with section 776 of the Act, and the applied AFA rate is based on a rate alleged in the Petition, as included in the Initiation Checklist, there are no calculations to disclose.

Verification

Because the mandatory respondents in this investigation did not provide information requested by Commerce, and Commerce preliminarily determines that each of the mandatory respondents have been uncooperative, verification will not be conducted.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of the preliminary determination, unless the Secretary alters the time limit. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹² Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold

¹² See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements).

the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC, 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by petitioners. Section CFR 351.210(e)(2) of Commerce's regulations requires that requests by respondents for postponement of a final antidumping determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

In April 2019, pursuant to 19 CFR 351.210(b) and (e), Huatong and Silin requested that Commerce postpone the final determination and that provisional measures be extended to a period not to exceed six months.¹³ In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii) and (e)(2), because: 1) our preliminary determination is affirmative; 2) the requesting exporters account for a significant proportion of exports of the subject merchandise; and 3) no compelling reasons for denial exist, we are granting the respondents' request and are postponing the final determination until no later than 135 days after the publication of the preliminary determination notice in the *Federal Register*, and we are extending

¹³ See letter from Huatong, "Aluminum Wire and Cable from the People's Republic of China – Request for Extension of Final Determination and Provisional Measures," dated April 11, 2019; and letter from Silin, "Aluminum Wire and Cable from People's Republic of China – Request for Extension of Final Determination and Provisional Measures," dated April 10, 2019.

provisional measures from four months to a period not to exceed six months. Suspension of liquidation will be extended accordingly.

International Trade Commission Notification

In accordance with section 733(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its preliminary determination of sales at LTFV. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether imports of the subject merchandise are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: May 29, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The scope of the investigation covers aluminum wire and cable, which is defined as an assembly of one or more electrical conductors made from 8000 Series Aluminum Alloys (defined in accordance with ASTM B800), Aluminum Alloy 1350 (defined in accordance with ASTM B230/B230M or B609/B609M), and/or Aluminum Alloy 6201 (defined in accordance with ASTM B398/B398M), provided that: (1) at least one of the electrical conductors is insulated; (2) each insulated electrical conductor has a voltage rating greater than 80 volts and not exceeding 1000 volts; and (3) at least one electrical conductor is stranded and has a size not less than 16.5 thousand circular mil (kcmil) and not greater than 1000 kcmil. The assembly may: (1) include a grounding or neutral conductor; (2) be clad with aluminum, steel, or other base metal; or (3) include a steel support center wire, one or more connectors, a tape shield, a jacket or other covering, and/or filler materials.

Most aluminum wire and cable products conform to National Electrical Code (NEC) types THHN, THWN, THWN-2, XHHW-2, USE, USE-2, RHH, RHW, or RHW-2, and also conform to Underwriters Laboratories (UL) standards UL-44, UL-83, UL-758, UL-854, UL-1063, UL-1277, UL-1569, UL-1581, or UL-4703, but such conformity is not required for the merchandise to be included within the scope.

The scope of the investigation specifically excludes aluminum wire and cable products in lengths less than six feet, whether or not included in equipment already assembled at the time of importation.

The merchandise covered by the investigation is currently classifiable under subheading 8544.49.9000 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to the scope may also enter under HTSUS subheading 8544.42.9090. The HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
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- III. Period of Investigation
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